

## **Housing Programs at New Jersey Housing and Mortgage Finance Agency**

### **1. New Jersey Community Housing Development Programs (NJCHDP)**

The New Jersey Housing and Mortgage Finance Agency (NJHMFA) and the New Jersey Department of Human Services and the Division of Developmental Disabilities (DDD) are partners in a program that serves individuals with developmental disabilities and their families through innovative housing programs and supportive services. In November of 2000, the NJHMFA revised the former Developmental Disability Housing Programs (DDHP) – which were created in 1996--and established the New Jersey Community Housing Demonstration Programs (NJCHDP), which specifically targets individuals with developmental disabilities population. These programs are designed to reduce DDD's Urgent Waiting List, to leverage additional funds and resources, to create residences and programs that are typical of those of the other residents of the community and to provide consumer choice and control. The Division has transferred \$6 million of the '94 Bond funds to the NJHMFA for a revolving loan pool that provides low interest loans to persons on the DDD waiting list, or to agencies that will provide housing for such persons. Sixty-eight individuals from the waiting list are having their housing needs addressed through the NJHMFA programs.

To be eligible for the NJCHDP individuals with developmental disabilities must be on the DDD Community Services Waiting List, or included in a Waiting List Initiative, and recommended for participation by the appropriate Regional Office of DDD.

**I) Home Ownership Program:** This program is targeted to adults with developmental disabilities having a steady income, along with the desire and ability to own their "own home" by accessing low interest rate loans. Additional interest free financing is also available for homes in need of accessibility related improvements.

The regional office will determine if the individual's home purchase is feasible. The regional office must determine that the individual's total budget will support the mortgage payment and not cost more than a comparable rental.

**II) Equity for Services/Shared Equity Programs (Reverse Type Equity Programs):** Home-owners (parents or applicants) who are the parents (or guardians) of a person with developmental disabilities (as defined by DDD) on the Urgent Waiting List will pledge the equity in their home, through a Home Equity Conversion Mortgage (HECM), to fund immediate and long term services for the DDD client. Currently, there are no DDD participants in this program.

**III) Section 811 Bridge Loan Program:** The purpose of the Section 811 program is to enable persons with disabilities to live with dignity and independence within their community by expanding the supply of rental housing units through a direct federal capital advance to 501 (3) C non-profit sponsors to finance the acquisition, new construction and/or rehabilitation of properties. This federal competitive program also provides a project-based rental assistance subsidy to the project residents. The Section 811 Bridge Loan Program is used to provide "bridge loans" to non-profit organizations that have received a Section 811 Reservation for Capital Advance Funds and Rental Assistance Subsidies from the U.S. Department of Housing and Urban Development (HUD). The bridge loan is used to cover HUD pre-approved reimbursable site acquisition and HUD pre-approved project development costs prior to the HUD mortgage closing on the Section 811

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**Program Capital Advance funds.** This program is open to 501 (3) C organizations that serve individuals with developmental disabilities. NJHMFA and DDD must jointly approve organizations.

After receiving a Section 811 Reservation for Capital Advance Funds from HUD, the non-profit agency would request a letter of support from the division director of DDD through the regional office. This letter would go with the application to HMFA for the bridge loan.

**IV) The Shared Living Residence Rental Housing Program:** This program provides financing to Not-For-Profit, For-Profit developers and/or municipalities for the acquisition of land and building with rehabilitation or new construction, or conversion of building(s) as rental/apartments units for persons with special needs. The entire shared living community residence or a portion of the units as determined by the appropriate Department or Division of the State (State Agency) in these affordable housing developments will be set-aside for these individuals. The purpose of the program is to enable persons with special needs to live in dignity and independence within the communities of their choice by expanding the supply of affordable and quality housing. This program is open to organizations that serve persons with developmental disabilities. NJHMFA and DDD must jointly approve organizations.

**V) The Low Income Housing Tax Credit Program (LIHTC):** This program has two (2) components. The First Component provides a project development subsidy through the allocation (under a Special Needs Cycle set-aside in the NJMHFA Qualified Allocation Plan) and syndication of low income housing tax credits to sponsors who provide housing for persons with developmental disabilities for projects which have been recommended by the DDD Central Office (to include individuals under any DDD Initiative).

### **I. Other NJHMFA Funded Program**

**1. NJHMFA Senior and Disabled Cooperative Housing Finance Incentive Program:** The purpose of this program is to provide construction financing for rental units under shared living housing arrangements for qualified housing sponsors and eligible renters.